



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN
Chief Administrative Officer

April 27, 2007

To: Supervisor Zev Yaroslavsky, Chairman
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Don Knabe
Supervisor Michael D. Antonovich

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

From: David E. Janssen
Chief Administrative Officer

**ADDITIONAL INFORMATION REGARDING JACOBS FACILITIES INC.
(ITEM NO.50, AGENDA OF MAY 1, 2007)**

The Department of Public Works (DPW) has prepared the attached list of items which identify "Value Added Services" to the Medical Center Replacement Project by the contract construction manager, Jacobs Facilities Inc. (JFI). This list was prepared in support of Item No. 50 on Tuesday's agenda which is a joint recommendation with my office to augment the contract of JFI for a not-to-exceed amount of \$3,300,000.

The Supplemental Agreement to the contract is needed for two reasons. First, the construction contract has extended beyond what was originally projected in JFI's contract. Second, over the nine years of the JFI contract, additional services have been required beyond what was originally forecasted.

It is important to note the critical role that JFI plays in the construction of the Medical Center Project which is now close to being 94% complete. DPW utilizes construction management firms as an extension of its project management staff. Of the 35 staff members currently on the site which comprise the County Project Management Team, only 4 are employees of DPW while 31 are JFI employees. If the JFI contract is allowed to expire in mid-May then the Replacement Project would be severely impacted and delayed due to the loss of knowledgeable staff while replacement forces were acquired.

If you have questions regarding this information please let me know or have your staff contact John Edmisten of my office at (213) 974-7365.

DEJ:JSE
mdc

Attachment

c: Executive Officer, Board of Supervisors
County Counsel
Department of Health Services
Department of Public Works

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**LAC+USC MEDICAL CENTER REPLACEMENT PROJECT
JACOBS FACILITIES, INC.**

Value Added Services

- Facilitated a Value Engineering process during design that reduced construction cost by approximately \$55 million.
- Conducted extensive constructability review of plans, producing nearly 20,000 separate comments and corrections.
- Implemented a site preparation construction package that accelerated the overall construction schedule, avoiding cost escalation, and avoiding change orders due to unforeseen site conditions.
- Managed the design and bid process so that the construction bid received was within 1% of the cost estimate and approximately 2% below budget.
- Managed the site preparation package construction through completion \$2.5 million below budget.
- Managed medical equipment procurement efficiently resulting in a cost savings projected at approximately \$25 million.
- Managed the change order negotiation process, reducing the actual and projected costs requested by the contractor by approximately \$23 million.
- Efficiently managed their staffing so that services were able to be provided for approximately five months beyond what was originally forecasted at no additional cost to the County.
- Provided proactive resolution of thousands of field construction issues to avoid cost and schedule impacts.
- Facilitated timely resolution of construction issues with OSHPD and other regulatory agencies.
- Provided highly skilled staff in specialized technical fields including medical equipment, systems commissioning, mechanical systems, cost estimating, and claims mitigation.